

***Seattle Center  
2007/2008 Proposed Budget Presentation to Council  
September 29, 2006***

**1. Outcomes for Key Dept Activities**

<b>2006 Outcomes</b>			
<b>2006 Program/Activity*</b>	<b>Specific 2006 Outcome(s)</b>	<b>Expectations in Meeting Outcome(s) in 2006 (Meet, Exceed, Fall Short)</b>	<b>If Exceed or Fall Short, Explain</b>
Sustainability	The Task Force for Seattle Center Sustainability issued its final report in 2006, and many key recommendations were incorporated in the 2007/2008 budget.	Meet	
Sustainability	Sale of Parking Lot 2 to the Bill & Melinda Gates Foundation. \$10.5 million of the proceeds from the sale will be used to pay off Seattle Center's accumulated deficit.	Meet	
Sustainability	Completed business plans for all lines of business.	Meet	
Administration	Developed a new Budget Control Level (BCL) structure that is aligned with Seattle Center operations, facilitating comparison of revenues with related expenditures.	Meet	
Administration	Completed the first ever Economic Impact Analysis of the Seattle Center Campus and resident organizations.	Meet	
Administration	Implemented an online Performance Evaluation System to ensure all employees receive regular feedback.	Meet	
Festivals	The Pride Festival and Hispanic Seafair were held at Seattle Center for the first time in 2006.	Meet	
Festivals	Negotiated new agreements with Bite of Seattle and Folklife.	Meet	
Community Programs	Expanded the range of community events held on Center grounds by hosting the first Newcomers Fair to help citizens find their way around agencies and services available in the City.	Meet	
Community Programs	Expanded the range of cultural events on our grounds by hosting two new cultural festivals: Chinese and South Asian. Hosted a total of 18 cultural festivals.	Meet	
Community Programs	Staged 394 free and low cost community events.	Meet	
Community Programs	Responded to Capitol Hill murders with a memorial temple and a celebration event.	Exceed	Event not in original workplan

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Community Programs	Creation of a Poetry Garden to serve as a new programming space	Meet	
Cultural Facilities	Welcomed the VERA Project to Seattle Center in the former Snoqualmie Room (part of the Northwest Rooms).	Meet	
KeyArena	Suite revenues higher than budget by \$412,000.	Exceed	More leases for higher average amount than expected.
KeyArena	Forecasted rental revenue of \$2.674 million is \$56,000 short of the \$2.731 million budget, a 2.1% shortfall.	Fall Short	Two concerts short of budget (18 vs. 20), and did not get a budgeted family show.
CIP	Began Long Term Investment Program for Seattle Center.	Meet	
CIP	Developed a Capital Reserve Plan for spending Lot 2 sale proceeds to address longstanding major maintenance and equipment needs.	Meet	
CIP	Completed Remediation Plan and began Groundwater Remediation on the 5 <sup>th</sup> Avenue Parking Lot.	Meet	
CIP	Completed seismic stabilization work at Intiman and the Colonnades.	Meet	
CIP	Completed repairs to both monorail trains following November 2005 accident.	Meet and Falls Short	Repairs completed. Full service not yet resumed.
CIP	Completed design and selected contractor for the new Fifth Avenue Parking Garage.	Meet	

*\*Note -- ‘2006 Program/Activity’ is not a defined term. The Council is interested in understanding department performance in high priority areas. Departments may discuss with their DOF budget analyst which areas to select. In most cases, the sum of budgets for “2006 Program/Activity” will not equal the department’s total budget.*

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**2. 2006 Budget Data**

<b>2006 Adopted Total Department Appropriation:</b>				
<b>\$ 36,675,138</b>				
<b>2006 Program</b>	<b>% of Total Dept. Budget</b>	<b>Funding Expended in 2006 (YTD)</b>	<b>Shift/Change from 2006 Adopted Budget</b>	<b>Describe Shift/Change</b>
	%	\$	\$	None

There were no significant shifts or transfers between budget control levels or between programs in 2006.

**3. 2007/2008 Proposed Budget Changes (by BCL)**

<b>2007 BCL Changes</b>						
<b>BCL Name</b>	<b>2006 Adopted Budget</b>	<b>2007 Proposed Budget</b>	<b>+/- % Change from 2006</b>	<b>2008 Proposed Budget</b>	<b>+/- % Change from 2007</b>	<b>How Changes May Impact Services to Public</b>
Debt	\$7,090,298	\$502,865	- 93%	\$502,534	- 1%	No service impact to public. The gap between debt revenue and debt expense has ranged from \$3.0-\$3.5 million per year, and has been the single largest hurdle to a balanced budget for Seattle Center. As of 2007, debt revenue and expense are moved to the General Fund as recommended by Task Force. 2007 Proposed Budget is for annual payment on McCaw Hall construction debt.

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Campus Grounds	\$10,104,314	\$11,666,931	+ 15%	\$12,228,519	+ 5%	1) Task Force recommended partial restoration of staff cuts. 2007 budget includes restoration of 9.5 FTE plus funding for related nonlabor expenses and for intermittent staff. These new resources will result in cleaner grounds, better maintained buildings, and faster response time for graffiti removal. Maintenance of grounds enables Seattle Center to attract the clients and visitors who drive our revenues. 2) Convert gasoline vehicles to electric or hybrid; and convert gasoline machinery to bio-diesel. These actions make Seattle Center 100% "green," improving the air quality for Seattle.
Festivals	\$546,144	\$570,247	+ 4%	\$588,045	+ 3%	Add Pride Festival to budget in 2007. This event, first held at Seattle Center in 2006, adds a 5 <sup>th</sup> major festival to the existing festivals held on Seattle Center grounds: Seattle Int'l Children's Festival, Bite of Seattle, Folklife, Bumbershoot.
Community Programs	\$2,108,336	\$2,333,251	11%	\$2,409,546	3%	Continue to provide 2 additional cultural festivals plus a comprehensive variety of community programs and cultural celebrations.

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Cultural Facilities	\$263,550	\$309,880	18%	\$322,169	4%	Added staff from position restoration will increase maintenance activities and improve response times.
Commercial Events	\$626,032	\$749,733	20%	\$774,249	3%	Higher labor costs and larger shows. No service impact.
McCaw Hall	\$3,364,797	\$3,460,173	+ 3%	\$3,685,996	+ 7%	2007 staff increase of 1.5 FTE laborers will be offset by a reduction in intermittent staff. Overall result will be improved cleanliness and enhanced service levels to patrons.
KeyArena	\$5,904,233	\$6,171,077	+ 5%	\$6,423,425	+ 4%	Higher labor costs. No service impact.
Access	\$965,739	\$1,034,029	+ 7	\$1,069,127	+ 3%	Higher labor costs. No service impact.
Administration	\$5,701,695	\$6,137,582	+ 8%	\$6,299,891	+ 3%	Additional sales staff will result in more aggressive marketing efforts.
<b>Total</b>	<b>\$36,675,138</b>	<b>\$32,935,769</b>	<b>-11%</b>	<b>\$34,303,501</b>	<b>+ 4%</b>	

**4. 2007/2008 Proposed Staffing Changes (by BCL)**

Use the following tables to discuss any proposed staffing changes from the 2006 Adopted Budget to the 2007 - 2008 Proposed Budgets. If positions will be eliminated, discuss if the positions are currently vacant or filled.

<b>2007 Proposed Staffing Changes (by BCL)</b>				
<b>BCL Name</b>	<b>Position Name</b>	<b>Change Description (New, Increased, Reduced, or Eliminated position)</b>	<b>If Eliminated: Currently Filled/Vacant</b>	<b>If currently filled, will possible layoffs occur?</b>
Campus Grounds	Carpenter	Restored – Task Force recommendation		
Campus Grounds	Electrician	Restored – Task Force recommendation		
Campus Grounds	HVAC Tech	Restored – Task Force recommendation		
Campus Grounds	Gardener	Restored – Task Force recommendation		
Campus	Painter	Restored – Task Force		

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Grounds		recommendation		
Campus Grounds	Painter (0.5 FTE)	Restored – Task Force recommendation		
Campus Grounds	Janitor	Restored – Task Force recommendation		
Campus Grounds	Laborer	Restored – Task Force recommendation		
Campus Grounds	Laborer	Restored – Task Force recommendation		
Campus Grounds	Laborer	Restored – Task Force recommendation		
McCaw Hall	Laborer (1.5 FTE)	New. Offset by reduction in intermittent labor.		
Administration	Events Booking Representative	New – will generate 2008 revenue to offset cost		
Community Programs	Arts Program Specialist	New – replaces contractor		
Administration	Graphic Arts Designer	New – replaces contractor		
Community Programs	<ul style="list-style-type: none"> <li>Events Service Representative (0.5 FTE)</li> <li>Stage Lead (-0.5 FTE)</li> </ul>	Create new pocket offset by reduction in second pocket. No net FTE increase.		

<b>2008 Proposed Staffing Changes (by BCL)</b>				
<b>BCL Name</b>	<b>Position Name</b>	<b>Change Description (New, Increased, Reduced, or Eliminated position)</b>	<b>If Eliminated: Currently Filled/Vacant</b>	<b>If currently filled, will possible layoffs occur?</b>
	No additional changes			

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**Contracting Goals and Accomplishments**

Last year, Seattle Center had a goal of 10% of our consultant, blanket contracts, purchases, and direct voucher expenditures being from WMBE firms. We met this goal last year with 10.3% of contracts with WMBE firms. This year, we set a goal of 11% and through August we are exceeding our goal with 11.8% WMBE contract purchases. This compares to Citywide performance of 7.0%.

	<b>Total Contracts</b>	<b>African American</b>	<b>Asian</b>	<b>Native American</b>	<b>Hispanic</b>	<b>Total MBE</b>	<b>WBE</b>	<b>Total WMBE</b>
Contract Amount	2,057,047	10,516	146,017	0	0	156,533	85,438	242,179
%		.51%	7.1%			7.61%	4.15%	11.77%

*Data through August 2006*

**Department Workforce**

Seattle Center's workforce make-up is shown below.

	<b>Gender</b>		<b>Ethnicity</b>				
	<b>F</b>	<b>M</b>	<b>American Indian / Alaska Native</b>	<b>African American</b>	<b>Hispanic</b>	<b>Other Asian / Pacific Islander</b>	<b>Caucasian</b>
Seattle Center	38%	62%	4%	11%	6%	20%	59%

Seattle Center has consistently sustained the diversity of its leadership and workforce. Currently, the Seattle Center workforce diversity percentages exceed those for Seattle and King County in all categories except Caucasian.

## Seattle Center CIP Projects -- 2007-8 Proposed Budget

Project Name	2006 Supplemental	2007	2008
Seattle Center Long-term Investment Plan		785	
Monorail Deferred Maintenance (LTGO Bonds)		4,500	
Monorail Deferred Major Maintenance Debt Service		104	586
Monorail Ongoing Major Maintenance			750
Seattle International Film Festival Tenant Improvements	150	200	
Steam and Chilled Water Infrastructure Renovation		665	267
Landscape and Hardscape Renovation and Repair		450	450
Tree Replacement		192	
Building Exterior Sealing and Painting			315
Center House Elevator and Mechanical Repairs		510	210
SC Pavilion and Other Meeting Room Improvements		238	50
Theatre Improvements and Repairs		217	83
Park Place Shops Window Replacement		50	
McCaw Hall Major Maintenance		100	100
Fisher Pavilion Major Maintenance		35	35
Preliminary Engineering and Planning		75	75
VERA Project Tenant Improvements		100	
Bagley Wright Theatre Maintenance Fund		112	112
Roof Replacement/Seismic Upgrades Debt Service		783	784
Artwork Maintenance		30	30
Construction Cost Escalation Pool		230	194
<b>Subtotal</b>	<b>150</b>	<b>9,376</b>	<b>4,041</b>
<b>Capital Reserve Fund (Lot 2 Sale Proceeds)</b>			
Site Lighting		620	200
Campus Readerboards and Signage		650	1,250
Campus Entries		400	600
Green Space Refurbishment		1,000	100
Theatrical and Business Support Equipment		1,280	
Parking Revenue Enhancements		800	
Skateboard Park Replacement Site Acquisition \$1.2M (appropriated in Parks budget)			
<b>Subtotal -- Capital Reserve Fund</b>		<b>4,750</b>	<b>2,150</b>
<b>Total Seattle Center 2007-8 CIP</b>	<b>150</b>	<b>14,126</b>	<b>6,191</b>